WEEKLY ECONOMIC REVIEW

February 9, 2007

Employment in Alberta advanced at a record pace of 6.5 per cent in Janaury from a year ago, and by 24,000 from December. The unemployment rate remained steady at 3.3 per cent, the lowest among the provinces.

Despite strong growth in jobs, the hourly wage rate rose by 4.1 per cent, down from the 6.9 per cent pace recorded in 2006.

Canada's employment gain was almost 89,000, or 2.4 per cent, in January 2007. The unemployment rate inched up to 6.2 per cent from 6.1 per cent in December, 2006, as more people joined the labour force in search of work.

The Canadian dollar rose by more than half a cent this morning to over 85 cents on strong gains in employment.

In 2006, total housing starts in Canada averaged 227,395 units. Canada's strong labour market continues to underpin housing demand. Housing starts increased sharply to 249,300 units (by 17.3 per cent) in January.

Alberta's housing starts reached a record 48,962 units in 2006. In January, 2007 housing starts increased by 12.5 per cent.

Growth in Alberta's building permits was just above 5 per cent in December, 2006 driven by 11 per cent growth in non-residential construction.

Cdn Dollar (C¢/US$)

Feb	9, 2007	85.2¢
Feb	2, 2007	84.5¢
2006-07 YTD		88.2¢

WTI Oil SUS/bbl

Feb	8, 2007	$59.71
Feb	1, 2007	$57.30
2006-07 YTD		$65.86

Nymex Natural Gas CS/mcf *

March Contract

Feb	9, 2007	$9.30
Feb	2, 2007	$8.88

*Estimate based on Nymex Futures Market Price

House prices moderated across the provinces in December, 2006. While the house price index declined by 0.5 per cent in Calgary, it was up by 0.2 per cent in Edmonton. Compared to the Alberta average of 39.6 per cent in 2006, house prices increased by 26.3 per cent in Edmonton and 47.5 per cent in Calgary.

Rigs drilling rebounded by 13.9 per cent in January from December, but was down by 12.5 per cent from January, 2006.

Oil prices increased close to US$60 a barrel, as political tensions overseas and frigid temperatures in the U.S. persisted.

Economic Indicators Released this Week	Reference Period	Month/Previous Month (M/M)	Month/Previous Year's Month (Y/Y)	Year-to-date[1]
Employment (thousands)	**January**			
Alberta	1,934	1.3%	6.5%	6.5%
Canada	16,729	0.5%	2.4%	2.4%
New House Price Index (1997=100)	**December**			
Alberta	231.9	-0.9%	38.3%	39.6%
Canada	157.1	-0.1%	10.8%	10.2%
Building Permits ($ Millions)	**December**			
Alberta	1,358	5.5%	29.4%	37.3%
Canada	5,788	-7.8%	-7.7%	10.0%
Housing Starts ($ Millions)	**January**			
Alberta	51.2	12.5%	19.1%	19.1%
Canada	249.3	17.3%	1.0%	1.0%
Rigs Drilling	**January**			
Alberta	433	13.9%	-12.5%	-12.5%

Source: Statistics Canada

[1]Year-to-date 2006 compared to the same time period in 2005. For example: January-November 2006 versus January-November 2005